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Maryland
Department of Economic & Employment Development

LABOR MARKET DIMENSIONS

A Monthly Report on the Dynamics of the Labor Market in Maryland

December, 1988

MARYLAND DEPARTMENT OF ECONOMIC AND EMPLOYMENT DEVELOPMENT
OFFICE OF LABOR MARKET ANALYSIS AND INFORMATION
1100 North Eutaw Street
Baltimore, Maryland 21201

William Donald Schaefer
Governor

J. Randall Evans
Secretary

LABOR MARKET DIMENSIONS
DECEMBER, 1988

MARYLAND

UNEMPLOYMENT ADVANCES MARGINALLY

Seasonal trends dominated Maryland's labor market during December. Jobseekers, encouraged by the additional employment prospects normally generated during the holiday season, boosted the statewide labor force to a level of 2,480,967 in December, up from 2,478,362 in November. Meanwhile, the additional hiring activity in select job sectors which may very well have been expected to add workers to the statewide employment rolls was obscured by the seasonal job losses resulting from the curtailment of outdoor-related activities and from temporary layoffs prompted by holiday shutdowns. The net result was an employment decline of 4,071 persons. In response to this employment loss, unemployment rose from 108,481 and 4.4 percent of the labor force in November to 115,157 and 4.6 percent in December.

The upturn in the jobless rate, although normal for this time of year, positions this December's estimate moderately above that of 4.2 percent recorded last year. Although unemployment has increased since last December, continued growth in the statewide economy has generated jobs for more than 45,000 residents over the past year.

	December 1988	November 1988	December 1987
Civilian Labor Force	2,480,967	2,478,362	2,423,039
Total Employment	2,365,810	2,369,881	2,320,585
Total Unemployment	115,157	108,481	102,454
Unemployment Rate	4.6	4.4	4.2
National Civilian Unemployment Rate	5.0	5.2	5.4

During December, unemployment among workers across the nation dropped back by 0.2 percentage points to register 5.0 percent--a decline which was triggered by the withdrawal of an estimated 336,000 persons from the labor force.

PAYROLLS UP DESPITE SEASONAL FLUCTUATIONS

Nonagricultural wage and salary employment, estimated at 2,090,300 in December, exceeded November's job count by 11,000 jobs. The current estimate shows that businesses throughout the state have added close to 40,000 jobs since last December. Although overall employment increased over the past month, individual industry payrolls responded to normal seasonal fluctuations.

During December, seasonal hiring for the holiday season was, in large part, responsible for bolstering employment at trade establishments by 8,300 jobs. Nearly two-thirds of the overall trade increase, or 4,200 jobs, resulted from increased hiring activity at general merchandise and apparel stores. All the holiday buying, however, was not confined solely to these two sectors. Additional hiring, of note, was also reported at food stores, furniture retailers, and local eateries.

The outlook in the services sector was also favorable during December. The addition of 2,700 jobs over the month was reflected in payroll gains at firms supplying business services, health services, and varied personal services. While these industries supplemented their work forces, seasonal downswings lowered employment at hotels and in amusement and agricultural services.

Gains, of 300 jobs, were recorded in the finance, insurance, and real estate sector during December. Within the industry, hiring activity was concentrated primarily in credit agencies and among insurance carriers. Meanwhile, in the transportation industry, increased activity in trucking and warehousing was more than sufficient to offset slight declines in water transportation and in communications.

Employment in the building trades dropped back by 400 jobs over the month. Last year's seasonal decline was slightly higher at 600 jobs. This December's losses were shared evenly by heavy construction and special trade contractors.

Manufacturing payrolls also dipped in December, but by just 200 jobs. Temporary layoffs and vacation shutdowns lowered employment levels in electrical equipment, transportation equipment, and apparel manufacturing. On the up side, increased business activity translated into job gains in both fabricated metal and rubber and plastics manufacturing.

MARYLAND
NONAGRICULTURAL PAYROLL EMPLOYMENT[1] BY INDUSTRY
BY PLACE OF EMPLOYMENT
(in thousands)

DECEMBER 1988

Major Industry Grouping	December 1988	November 1988	December 1987
Total Nonagricultural Employment	2,090.3	2,079.3	2,050.8
Manufacturing	207.2	207.4	207.3
Durable Goods	108.5	108.7	109.5
Nondurable Goods	98.7	98.7	97.8
Nonmanufacturing	1,883.1	1,871.9	1,843.5
Mining	1.8	1.9	1.9
Construction	156.4	156.8	153.1
Transportation & Public Utilities	95.6	94.9	94.3
Wholesale & Retail Trade	540.7	532.4	531.9
Wholesale Trade	111.4	111.3	111.4
Retail Trade	429.3	421.1	420.5
Finance, Insurance & Real Estate	128.7	128.4	126.1
Services	554.9	552.2	542.0
Total Government	405.0	405.3	394.3
Federal	128.4	128.3	129.2
State	93.6	93.8	91.5
Local	183.0	183.2	173.6

[1]The count is of jobs, not workers. It includes full and part-time wage earners employed during pay period including the 12th of the month.

NOTE: Figures may not add to totals due to rounding.

Additional industry detail available upon request.
Current data preliminary; previous month revised.

Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

REGIONAL ECONOMICS

BALTIMORE METROPOLITAN AREA

In the Baltimore Metropolitan Area, an influx of nearly 8,000 jobseekers into the area's labor market was the underlying factor responsible for raising the BMA's jobless rate from 4.7 percent to 5.3 percent. While the bulk of the region's labor force expansion was reflected on the jobless rolls, employment also rose modestly over the month, by an estimated 686 persons. Increased joblessness was prevalent throughout the area, however, the impact fell more heavily upon Baltimore City residents. Baltimore City absorbed nearly 50.0 percent of the BMA's overall increase, adding an estimated 3,510 persons to its jobless rolls and pushing its unemployment rate up to 7.9 percent. Elsewhere in the BMA, jobless rates ranged from a low of 3.2 percent in Howard County to 5.0 percent in Harford County.

MARYLAND'S D.C. SUBURBS

The economic scenario in the D.C. suburbs was inconsistent with the statewide forecast during December. Although employment declined in the D.C. suburbs, the potential impact of this decline was overshadowed by a corresponding drop in the regional labor force which actually helped to ease the area's unemployment rate down from 3.3 percent in November to 3.2 percent in December. Within the area, jobless rates declined in all local jurisdictions with the exception of Frederick County where unemployment rose negligibly from 2.9 percent to 3.0 percent. Throughout the region, normal seasonal declines tapered payrolls in construction and agricultural services, however, hiring activity did occur in trucking, general merchandise/apparel stores, eating and drinking places, and business services.

WESTERN MARYLAND

An increase of 0.3 percentage points over the month raised Western Maryland's unemployment rate to 7.5 percent in December. Despite this increase, this December's jobless rate is the lowest unemployment rate on record for the month since the tracking of regional estimates began in 1980. Last December, the area's estimate stood at a much higher 8.0 percent. Locally, in Allegany County, the withdrawal of workers from the job market actually caused unemployment to decline from 8.6 percent to 8.4 percent. In both Garrett and Washington counties, however, unemployment rose to 10.0 percent and 6.4 percent, respectively. The largest increase occurred in Washington County--an increase which took place despite a gain of 474 in the number of workers recorded between November and December.

BALANCE OF STATE

December's labor market activity in the Balance of State area also showed signs of increasing joblessness. The net result of December's scenario was the addition of 700 persons to the area's jobless rolls--an increase which resulted directly from employment declines. Overall joblessness in the region rose to 6.7 percent in December, up from 6.2 percent in November. Unemployment rates escalated in all of the area's local jurisdictions, with the exception of Caroline, Dorchester, and St. Mary's. In Talbot County, the jobless rate doubled, going from 2.8 percent to 5.6 percent, with temporary layoffs in manufacturing contributing to this rise.

NONAGRICULTURAL PAYROLL EMPLOYMENT[1] BY INDUSTRY - BY PLACE OF EMPLOYMENT
(in thousands)
BY REGION--DECEMBER 1988

Major Industry Grouping	Baltimore Metropolitan Area		Maryland Portion D.C. Suburbs		Western Maryland		Balance of State	
	Dec. 1988	Nov.1988	Dec. 1988	Nov.1988	Dec. 1988	Nov.1988	Dec. 1988	Nov.1988
Total Nonagricultural Employment	1116.1	1106.6	747.4	743.2	88.0	86.4	136.6	137.6
Manufacturing	131.0	130.3	36.1	36.1	16.3	16.0	23.9	24.2
Durable Goods	73.2	72.6	18.7	18.7	7.4	7.3	8.8	8.9
Nondurable Goods	57.8	57.7	17.4	17.4	8.9	8.7	15.1	15.3
Nonmanufacturing	985.1	976.3	711.3	707.1	71.7	70.4	112.7	113.4
Construction	75.6	76.4	63.5	64.5	5.9	5.8	10.1	10.1
Transportation & Public Utilities	53.6	53.3	28.8	28.8	5.2	5.3	7.3	7.3
Wholesale and Retail Trade	280.5	274.3	202.4	199.0	24.3	23.7	37.1	37.5
Wholesale Trade	65.8	65.2	35.6	35.4	-	-	-	-
Retail Trade	214.7	209.1	166.8	163.6	-	-	-	-
Finance, Insurance & Real Estate	76.1	75.5	43.3	43.3	3.1	3.1	5.2	5.2
Services and Mining	293.4	291.3	214.8	213.1	19.0	18.7	29.2	29.3
Total Government	205.9	205.5	158.5	158.4	14.2	13.8	23.8	24.0
Federal	50.4	49.5	68.4	68.2	1.8	1.7	6.2	6.2
State	63.7	63.3	19.9	20.0	4.7	4.8	4.8	4.9
Local	91.8	92.7	70.2	70.2	7.7	7.3	12.8	12.9

[1]The count is of jobs, not workers. It includes full and part-time wage earners employed during pay period including the 12th of the month.

NOTE: Figures may not add to totals due to rounding.

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STATE OF MARYLAND
CIVILIAN LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT
BY PLACE OF RESIDENCE

DECEMBER, 1988

AREA	CIVILIAN LABOR FORCE		EMPLOYMENT		UNEMPLOYMENT		UNEMPLOYMENT RATE		
	DECEMBER	NOVEMBER*	DECEMBER	NOVEMBER*	DECEMBER	NOVEMBER*	DECEMBER	NOVEMBER*	DEC. '87
MARYLAND	2,480,967	2,478,362	2,365,810	2,369,881	115,157	108,481	4.6	4.4	4.2
BALTIMORE METROPOLITAN AREA	1,191,934	1,183,949	1,129,230	1,128,544	62,704	55,405	5.3	4.7	4.8
BALTIMORE CITY	350,896	347,190	323,002	322,806	27,894	24,384	7.9	7.0	7.6
ANNE ARUNDEL	211,406	210,655	204,104	203,980	7,302	6,675	3.5	3.2	3.3
BALTIMORE	387,318	385,179	369,040	368,816	18,278	16,363	4.7	4.2	4.1
CARROLL	59,878	59,618	57,909	57,874	1,969	1,744	3.3	2.9	3.3
HARFORD	78,959	78,385	75,037	74,992	3,922	3,393	5.0	4.3	4.3
HOWARD	88,554	88,132	85,762	85,710	2,792	2,422	3.2	2.7	2.3
QUEEN ANNE'S	14,921	14,790	14,375	14,366	546	424	3.7	2.9	3.4
D. C. AREA	982,509	985,297	951,290	952,441	31,219	32,856	3.2	3.3	2.8
CALVERT	21,916	21,971	21,047	21,073	869	898	4.0	4.1	4.0
CHARLES	45,865	46,100	44,579	44,633	1,286	1,467	2.8	3.2	3.0
FREDERICK	74,411	74,415	72,166	72,253	2,245	2,162	3.0	2.9	2.9
MONTGOMERY	417,078	418,082	406,139	406,631	10,939	11,451	2.6	2.7	2.2
PRINCE GEORGE'S	423,240	424,731	407,359	407,852	15,881	16,879	3.8	4.0	3.2
WESTERN MARYLAND	102,404	101,640	94,762	94,312	7,642	7,328	7.5	7.2	8.0
ALLEGANY	32,443	32,571	29,705	29,782	2,738	2,789	8.4	8.6	10.1
GARRETT	12,686	12,603	11,419	11,366	1,267	1,237	10.0	9.8	10.0
WASHINGTON	57,275	56,466	53,638	53,164	3,637	3,302	6.4	5.8	6.4
BALANCE OF STATE	204,121	207,474	190,529	194,582	13,592	12,892	6.7	6.2	5.8
CAROLINE	14,113	14,434	13,428	13,717	685	717	4.9	5.0	5.6
CECIL	34,743	34,916	32,414	32,613	2,329	2,303	6.7	6.6	4.9
DORCHESTER	17,196	18,001	15,992	16,699	1,204	1,302	7.0	7.2	6.0
KENT	9,285	9,719	8,748	9,301	537	418	5.8	4.3	5.1
ST. MARY'S	37,445	38,068	35,772	35,965	1,673	2,103	4.5	5.5	4.3
SOMERSET	11,352	11,784	10,089	10,619	1,263	1,165	11.1	9.9	10.0
TALBOT	17,418	17,475	16,451	16,983	967	492	5.6	2.8	4.1
WICOMICO	43,223	42,987	40,642	40,621	2,581	2,366	6.0	5.5	5.4
WORCESTER	19,346	20,090	16,993	18,064	2,353	2,026	12.2	10.1	11.0
UNITED STATES[1]	122,120,000	122,639,000	115,978,000	116,314,000	6,142,000	6,325,000	5.0	5.2	5.4

*Estimates for the state are revised.

[1] Source: U. S. Department of Labor, Bureau of Labor Statistics

NOTE: Figures may not add due to rounding. These are estimates relating to the week of the 12th of each month. The count is of persons not jobs. All data are not seasonally adjusted.